



Accelerate Your Business

Indiana Economic Development Corporation

One North Capitol, Suite 700  
Indianapolis, Indiana 46204  
Tel 317.232.8800  
Fax 317.232.4146  
[www.iedc.in.gov](http://www.iedc.in.gov)

July 13, 2007

Sandra L. Jensen  
Hearing Officer  
Natural Resources Commission

Dear Ms. Jensen:

Pursuant to IC 4-22-2-28, the Indiana Economic Development Corporation ("IEDC") has reviewed the economic impact analysis for small business associated with new rules in LSA 07-186 proposed by the Indiana Department of Natural Resources (DNR).

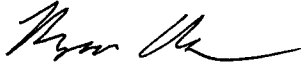
LSA 07-186 adds IAC 18-3-21 under the article pertaining to entomology and plant pathology. The rule adds Hydrilla (*Hydrilla verticillata*) as a pest or pathogen and prohibits the possession of this plant species, including the transport of the plant on aquatic equipment, and gives DNR the authority to regulate an infested body of water to prevent the movement of the plant to other waters. Entities potentially affected by the rule include businesses that specialize in watercraft removal and storage and owners of private waters that may be infested with Hydrilla. Although the DNR cannot estimate what portion of these entities are small businesses, only one Hydrilla infestation is known in Indiana at this time and that is on public water.

Economic impacts associated with the rule consist of time and cost spent eliminating Hydrilla from bodies of water and removing Hydrilla from watercraft equipment. If a small business owns a body of water that is infested with Hydrilla, they would incur costs associated with removing the Hydrilla from the body of water. Based on previous experiences with Hydrilla, the cost of removing the plant from a water body via chemical eradication would be approximately \$2,700 per surface acre. Costs associated with removing Hydrilla from watercraft are not expected to be significant. For example, the DNR estimates that the visual inspection and hand removal of all plant material from a 30-foot boat and trailer would take less than five minutes. Since Hydrilla is not currently a species in trade, small businesses would not experience a loss of revenue as a result of any of the rule changes. The DNR does not expect significant administrative costs as a result of the rule changes.

The IEDC does not object to the economic impact associated with the proposed rule. The anticipated costs associated with the rule are reasonable given the environmental and financial costs of Hydrilla infestation in bodies of water. If Hydrilla is introduced into a lake or pond, it can displace native aquatic plants, cause fish population imbalances, reduce recreational opportunities, and negatively impacts property values. Eliminating Hydrilla from lakes and ponds can be difficult and expensive. A multi-year project to eliminate Hydrilla from 734 acre Lake Manitou in Rochester, Indiana will

likely cost \$2 million. If you have any questions about the comments contained herein please contact me at 232-8962 or [rasberry@iedc.in.gov](mailto:rasberry@iedc.in.gov).

Regards,

A handwritten signature in black ink, appearing to read "Ryan Asberry", with a stylized flourish at the end.

Ryan Asberry  
Assistant Vice President  
Indiana Economic Development Corporation